

## Jobs and Opportunity Agenda

<u>The Granite State Advantage</u>: New Hampshire routinely ranks as one of the best states with among the highest quality of life, education levels, and household income in the country. Communities, employers, and educators in New Hampshire are working to further that advantage by creating innovative partnerships to train students and workers in high-demand fields like medicine, microelectronics, and auto repair. These types of programs will only enhance our workforce and make New Hampshire an even better place to raise a family and grow or start a business.

<u>New Challenges</u>: Despite continued successes, structural changes in the broader economy driven by automation and technological innovation, as well as the low unemployment rate and substance use disorder, are creating new challenges for New Hampshire employers, workers, and educators. These challenges centered on the 'future of work' in America will profoundly change our economy in the coming years and we must work together to transform these challenges into opportunities.

The following is a comprehensive set of federal policy ideas that will help states and communities respond to changes in the economy in a way that leads to better wages and more opportunity. These challenges focus on a wide array of policy areas but include a specific focus on the following:

<u>Building a 21<sup>st</sup> Century Workforce</u>: We need an approach to skills development that focuses on life-long learning and ensuring that educators are training students and workers in the skills that are in demand regionally and locally.

<u>Promoting College Affordability</u>: Granite Staters have more college debt than nearly any other state. We need to make college more affordable, not only by expanding tuition assistance but also by holding colleges and universities accountable by incentivizing them to keep costs down.

<u>Promoting STEM Education</u>: Spurring engagement and interest in STEM education is critical to getting students involved in the fields that will help them be successful in the future economy.

<u>Combating the Opioid Epidemic</u>: Over 20 percent of the reduction in workforce participation over the last decade is due to substance use disorder. We need better treatment, prevention, education, and life-long recovery efforts to address both the human and economic costs of this crisis.

<u>Helping Working Families</u>: Benefits like paid sick leave, maternity leave, equal pay, and affordable childcare are a critical part of creating a happy and effective workforce.

<u>Strengthening Rural Communities</u>: Rural communities are an integral part of the culture and economy of the Granite State. We need continued investment in the rural economy through expanded broadband, improved infrastructure, and educational facilities.

<u>Investing in Infrastructure</u>: It's no secret that our aging infrastructure is a liability for our economy. We need new and creative ways to invest in highways, bridges, broadband, schools, ports, waste water, and airports that provides reliable funding certainty while utilizing both private and public investment.

# Rep. Kuster Jobs and Opportunity Agenda

### The Demands of a Changing Economy

Our economy is facing dramatic changes that are decades in the making but will only become more dramatic in the years to come. Rapid changes in automation and artificial intelligence are leading to an upheaval of the traditional employer-employee relationship. This new dynamic is putting a premium on worker training both in traditional educational settings and at the workplace. The need for appropriate and consistent training emphasizes the importance of coordination among companies, educators, economic development officials, trade groups, labor unions, and business organizations to ensure that workers are trained in the skills demanded in their local and regional economies.

While these changes are challenging for businesses and workers, they also present new opportunities for innovation, growth, and job creation. Employers in New Hampshire and across the country are seeking to build new and better partnerships with their communities to help develop a modern workforce. In 2017, Rep. Kuster introduced the Workforce Development Investment Act that would provide a tax credit for companies that create qualifying partnerships with educational institutions as well as a separate credit for training associated with those partnerships or for certified apprenticeship programs.

The recently-reauthorized Workforce Innovation and Opportunity Act (WIOA), which established federal policy for workforce development, is an important tool to enhance training and give states increased autonomy to coordinate workforce development resources. With WIOA resources, New Hampshire has created the Sector Initiatives program through NH Works that is an industry-driven statewide effort to help certain industries address workforce needs. The initiatives focus on the parts of the economy with the greatest need including manufacturing, hospitality, healthcare, and information technology.

Granite Staters expect policy makers to work together in a bipartisan way to address barriers to economic growth and opportunity. Congress must continue to fund WIOA, but we shouldn't stop there. We still need more resources for training and coordination at the local, state, and national level. We also should utilize the tax code as a tool to incentivize companies to modernize and coordinate their training efforts, we must help students become more engaged in Science, Technology, Engineering, and Math (STEM) at an early age, and we should make college more affordable and universities more accountable. Additionally, we must provide resources and education to combat the opioid epidemic and the impacts it has on the economy.

Finally, for our workers and businesses to succeed we need to foster an economy that encourages innovation and growth by investing in research, cutting bureaucracy and red tape, and investing in new and better infrastructure for roads, bridges, schools, hospitals, and telecommunications.

This agenda identifies an array of policy proposals, some big and some small, that will help employers, workers, educators, and communities to not only confront current and future workforce challenges but use these challenges to their advantage. The following identifies several areas of focus to promote opportunity and economic growth and highlights specific legislation or other initiatives in those areas.

## **Building a 21st Century Workforce**

Employer-sponsored and on-the-job training has declined significantly since the mid-1990's. According to the Council of Economic Advisers, the percentage of workers receiving employer-sponsored training fell 42 percent between 1996 and 2008. As noted in a report by the Aspen Institute, the number of formal programs that combined on-the-job learning with mentorships and classroom education fell 40 percent between 2003 and 2013.

We need to make gaining new skills through formal and informal training more convenient and easier for students and workers. This means enhancing opportunities for short-term training and more flexible work schedules. It also means making it easier for employers to partner with educational institutions to create appropriate training opportunities and to create apprenticeships that culminate with specific credentials, licenses, or associate degrees.

Below are specific policies and proposals that will enhance skills training for workers:

#### Tax Incentives

The tax code has potential to be an important tool for employers to address workforce development challenges and the recently-passed tax bill was a major missed opportunity to help employers meet the workforce needs of the future. Instead, we should be making it easier for companies create new educational partnerships and more apprenticeship opportunities.

- The Workforce Development Investment Act (Rep. Kuster H.R. 2700): Educational partnerships like the Microelectronics Boot Camp at Nashua Community College are opportunities for workers to gain the skills that employers are demanding where they live. Introduced by Rep. Kuster, this legislation will make these partnerships easier by providing a tax credit for companies to create qualifying partnerships with educational institutions and a separate tax credit for training associated with those partnerships or for certified apprenticeships.
- <u>Investing in American Workers Act (Rep. Krishnamoorthi, D-IL)</u>: Often smaller businesses are at a disadvantage to larger companies because they lack the size and resources to do the same type of on-the-job training as larger businesses. This bill seeks to level the playing field by establishing a 20 percent tax credit for new investments in worker training made by small and mid-sized businesses.
- <u>529 Opening Paths to Invest in Our Nation's Students Act (Norcross, D-NJ)</u>: 529 College Savings Plans are an important tool to help families save for college by exempting savings from federal taxes. This legislation expands 529 Plans enabling those in apprenticeship programs to fund tools and equipment for the program using their 529 account.
- <u>Skills Investment Act (Kilmer)</u>: Given the premium that our modern economy puts on the need for continuous, life-long learning, workers need to ways to invest in their continued education. This legislation enables employers to match employee contributions in a tax-free account, called a Lifelong Learning Account, that will help workers pay for skills training and education.
- <u>Promotion and Expansion of Private Employee Ownership Act (Rep. Reichart, R-WA)</u>: Employee Stock Ownership Plans (ESOPs) allow employees of a company to have a defined-contribution retirement plan invested in the stock of their employer. We should work to expand this successful

model used by companies in New Hampshire like Hypertherm, Citronics, and Littleton Coin. This legislation gives additional tax preferences to make it easier for companies to form or grow ESOPs.

#### **Educational Reforms and Improved Collaboration**

- The Strengthening Career and Technical Education for the 21<sup>st</sup> Century Act (Rep. Thompson, R-PA): First passed in 2006, The Perkins Act created increased the federal focus on the academic achievement of career and technical education students and strengthened the connections between secondary and postsecondary education. This bill improves the Perkins Act by simplifying the application process for federal grants, better aligning training with jobs needed locally, and increasing the amount of federal funds that states can set aside to assist eligible students in rural areas. This bill passed the House of Representatives in 2017 and the Senate should quickly take up these important reforms.
- The Youth Access to American Jobs Act (Rep. Larsen, H.R. 1050): This bill is designed to build a bridge between high school students and good paying jobs. It awards grants to educational partnerships that include community colleges and apprenticeship programs that help students attain an associate's degree and transition immediately into an apprenticeship.
- Job Opportunities Between our Shores Act (Rep. Tores, H.R. 2867): This bill enhances private sector and industry collaboration by authorizing the Secretary of Labor to initiate pilot projects among advanced manufacturers and community colleges, state colleges, and workforce investment boards to create education and training programs focused in the field of advanced manufacturing. Eligible recipients must demonstrate their capacity to teach advanced manufacturing concepts and how they will help workers develop the skills that will lead to an industry-recognized credential.
- <u>Funding Regional Workforce Coordinators</u>: Rep. Kuster is developing legislation that would increase
  overall WIOA funding to allow states to dedicate resources to hiring "workforce development
  coordinators" to manage regional workforce efforts. These coordinators would serve as liaisons
  among educational institutions, companies, economic development officials, business organizations,
  labor unions, and trade groups to ensure that communities are maximizing the efficiency of their
  collective workforce development efforts.

#### Industry-Specific Training and Licensing/Credentials Efforts

We need better infrastructure for credentials and licensing through the Department of Education and Labor that will ensure high reliability of various certifications and inform employers, workers, veterans, and students about the applicability of their skills and credentials.

- Collaborating for Economic Reintegration of Troops (CERT) Act (Rep. Heck, D-WA): Former members
  of the military transition out of the service with an array of useful skills but often that transition to
  civilian employment can be challenging. This legislation would establish a commission to develop
  new, uniform licensing and certification standards for high-demand occupations to provide veterans
  with more information about how they can apply their skills in the civilian world.
- The Chance in Tech Act (Rep. Moulton, H.R. 3174): During any given 90-day period, there can be more than 500,000 tech job openings across the country. The bill seeks to address this shortage of workers by training more workers in the information technology skills needed in the economy by encouraging public-private funding for apprenticeship programs in the technology sector.

Specifically, the bill would provide industry intermediaries, like state tech associations, the ability to compete for federal grants to develop apprenticeships within the technology sector.

### Making Post-Secondary Education More Affordable

- Making Education Affordable and Accessible Act (Rep. Polis): Duel and concurrent enrollment classes improve access to higher education by enabling high school students to enroll in college courses for credit. This legislation would provide funding for colleges and universities to develop and expand dual enrollment programs at local high schools.
- <u>College Transparency Act (Rep. Mitchell, R-MI)</u>: Deciding where to go to college is a major decision
  for students and they should have the maximum amount of information before them to make this
  decision. This legislation would create a system to provide verified information about graduation
  rates and post-graduate employment that students can use to make decisions about where to go to
  school and what to study.
- Student Protection and Success Act (Sen. Shaheen): This legislation is designed to curb rising college costs and student debt by incentivizing schools to keep costs down by giving schools a vested interest in the success of their students. The bill removes federal student loan eligibility from all colleges and universities where less than 15 percent of their students are able to begin repaying their loans within three years of graduating or leaving school. The bill would also require schools to pay a fee based on the total loan volume their students are not able to repay, and the bill would then use those funds to support schools that are serving low-income students well.
- Expanding Pell Grants: Rep. Kuster is developing legislation that would promote college completion in four years by establishing a program to provide a Pell bonus to Junior/Senior students who are on track to complete their degree within four years.

#### **Promoting STEM Education and Innovation**

- <u>Early STEM Achievement Act (Kuster)</u>: Promoting engagement in STEM fields at a very early age is
  critical to spurring a long-term interest in these important fields. This legislation would create a
  competitive grant program to assist early childhood STEM programs and train educators to teach
  STEM subjects, helping prepare children for the workforce of tomorrow.
- Coding Technology Improvements Act (Kuster): Across the country, "coding boot camps" and other education providers are partnering with colleges and universities to offer students specialized courses in coding that will equip them with critical technology skills that will becoming increasingly important to the 21<sup>st</sup> Century Economy. The University of New Hampshire and Southern New Hampshire University are partnering with non-traditional education providers like the Flatiron School to prepare students for high-quality careers in software development and information technology. This legislation would allow these programs to apply for federal education grants.
- More Makerspaces Act (Rep. Takano): Makerspaces are educational and business facilities that
  enable students and entrepreneurs to utilize tools and technology that they otherwise would not be
  able to access. They help generate an interest in STEM while allowing innovative companies an
  opportunity to get off the ground. This bill would instruct the federal Public Buildings Reform Board

to create guidelines for how a federal agency would lease or sell an unused property to be used as a makerspace. It also requires the board to inform municipalities and Members of Congress about properties in their district that would be eligible for a use as makerspaces.

## **Addressing the Opioid Crisis**

As co-chair of the Bipartisan Heroin Task Force, Rep. Kuster has led the way in bringing new federal resources and important policy changes to combat the opioid crisis that killed over 400 people in New Hampshire in 2017. While this crisis has immense human and social costs, the negative effects that substance use disorder has on the economy include wide-ranging consequences. In 2017, a Princeton report found that the rise in prescription painkillers between 1999 and 2015 led to a 20 percent of the overall drop in male workforce participation and 25 percent for women. In New Hampshire, where the unemployment rate has been below three percent for over two years, the opioid epidemic has serious consequences for opportunity and economic growth.

Democrats and Republicans are working in a comprehensive way to address the opioid crisis and the following initiatives represent parts of that strategy that more directly relate to the economic impacts of the crisis. In the last several years, Congress has appropriated billions of dollars to states for treatment, prevention, enforcement, and life-long recovery efforts. This funding will help provide those on the frontlines of this crisis with the resources they need to do their jobs. But the scope and depth of this crisis proves that we still need more money Rep. Kuster is fighting for more funding and the following policy changes that will save lives and help roll back this crisis.

- The Respond NOW Act (Rep. Kuster): One off the challenges with current federal funding for the opioid crisis is that states and communities do not have enough funding certainty to make long-term decisions. This legislation helps provide that certainty by creating the \$25 billion Opioid Epidemic Response Fund to provide \$5 billion annually over five years targeted to numerous key activities involving such agencies as the Substance Abuse and Mental Health Services Administration (SAMHSA), the Centers for Disease Control, and the National Institutes of Health. We need an aggressive strategy to tackle the opioid epidemic and the Respond NOW Act is the type of bold approach that is necessary to turn the tide on the epidemic.
- Ensuring Access to Quality Sober Living Act (Rep. Chu, D-CA): Transitional housing is a critical part of
  the recovery process to ensure that those suffering from substance use disorder can return to the
  workforce. This legislation would direct the Substance Abuse and Mental Health Services
  Administration to develop best practices for recovery residences that promote sustained, life-long
  recovery.
- The Reforming and Expanding Access to Treatment Act (Rep. Turner, R-OH): Because many of those
  suffering from substance use disorder find themselves in the justice system, it's critical that they
  receive appropriate treatment while incarcerated to promote recovery and limit recidivism. This
  legislation would allow for Medicaid reimbursement of treatment services for incarcerated
  individuals.
- Addiction Recovery for Rural Communities Act (Rep. Bustos): Rural communities have been hit by
  the substance misuse crisis harder than any part of the country. The Department of Agriculture's
  Office of Rural Development's role in providing investments in rural communities should be an
  important part of the solution. This bill modifies USDA's Rural Development programs to give
  priority to projects related to substance abuse treatments.

## **Helping Working Families**

To help our economy succeed we need to ensure that working families in the Granite State and across the country have an appropriate work-life balance. We should advance policies like those identified below to ensure that hard-working parents are able to take care of their families while contributing to the economy.

- <u>Family and Medical Insurance Leave (FAMILY) Act (Rep. DaLauro, D-CT)</u>: The United States is the only
  industrialized nation that does not guarantee working mothers paid time off to care for a new
  child. The FAMILY Act would create an independent trust fund within the Social Security
  Administration to collect small fees and provide paid-leave benefits to workers.
- Healthy Families Act (Rep. DeLauro, D-CT): Nearly half of private sector workers don't have access to
  a single paid sick day. This bill addresses that problem by providing a pathway for workers to earn
  up to seven paid sick days a year for short-term illnesses, to care for a sick family member, or other
  uses.
- <u>Child Care for Working Families Act (Rep. Scott, D-VA)</u>: Access to affordable child care is another
  critical part of helping working families succeed. This important legislation would create
  federal/state child care partnerships to provide assistance to low-income and middle-class families
  to ensure that no family pays more than seven percent of their income on child care. The bill also
  supports the child care workforce through increased training and compensation for child care
  professionals.
- Paycheck Fairness Act (Rep. DeLauro): When women are paid 78 cents on the dollar compared to men, that is both an economic and social problem. The bipartisan Paycheck Fairness Act seeks to end the 'wage gap' by providing new protections that prohibit employers from retaliating against employees for sharing information about wages and ending the ability to use past wage history as a factor in the hiring process.

#### **Investing in Rural Communities**

Rural communities are part of the identity of the Granite State but also represent important opportunities for job creation and economic growth. To succeed, rural areas need continued federal support and better infrastructure, including improved broadband and cell service. The USDA Rural Development Program is a critical resource for rural communities that should be further strengthened in the future.

- Northern Border Regional Commission Reauthorization Act (Kuster): The Northern Border Regional Commission has been an important economic development tool for rural communities in much of New Hampshire. From 2010 to 2017, New Hampshire communities received \$7.38 million from the NBRC. This bill would continue funding for the NBRC and extend its authorization for five years.
- The Rural Housing Preservation Act (Rep. Kuster): The availability of affordable housing is a critical component to encouraging economic growth and opportunity, particularly in rural areas. This

legislation provides USDA Rural Development and local communities with new tools to keep and maintain their affordable housing units.

- Advancing Innovation and Reinvigorating Widespread Access to Viable Electromagnetic Spectrum (AIRWAVES) Act (Rep. Lance, R-NJ): This strongly bipartisan legislation will encourage the federal government to free up more spectrum for commercial use. More spectrum will improve data service from all providers and help close geographic gaps in coverage. Importantly, the bill will dedicate 10 percent of all proceeds from spectrum auctions in the bill to go directly to wireless broadband infrastructure buildout in unserved and underserved areas throughout rural communities across the country.
- The Timber Innovation Act (Rep. DelBene, D-WA): The timber industry is an important part of the rural economy and identity of the Granite State. This legislation seeks to advance tall wood building construction through federal grants that support state, local, university, and private sector education, outreach, and research and development, including education and assistance for architects and builders, that will accelerate the use of wood in tall buildings. The expansion of tall wood buildings will increase the demand for wood products and support the vibrancy of rural communities in New Hampshire.
- The Farm Bill: The Rural Development title of the farm bill authorizes critical assistance to rural communities through grants and low-interest loans via the Department of Agriculture. Protecting and expanding USDA Rural Development is a critical goal for New Hampshire, which received \$219.5 million in loans and grants from USDA in 2017. Unfortunately, the farm bill currently being considered in in the House takes us in the wrong direction by cutting roughly \$500 million from the RD program. Rep. Kuster will continue to stand up for USDA Rural Development as a Member of the Agriculture Committee.

#### **Cutting the Regulatory Burden and Government Red Tape**

- The Export Promotion Act (Rep. Kuster): Cuts red tape for businesses in dealing with the federal
  government by consolidating federal export promotion assistance programs within a single agency
  in the Commerce Department. This change will not only reduce waste and overlap in these
  programs, it will also make it easier for companies to utilize export assistance to grow their
  businesses.
- Regulatory Improvement Act (Rep. Sinema, D-AZ): Over time, outdated and unnecessary regulations can become increasingly burdensome to companies of all sizes. Federal agencies as well as Congress should work to ease the regulatory burden whenever practical without impairing critical protections. This bipartisan legislation creates an independent commission to review rules and regulations that are outdated, duplicative, or in conflict with one another, and then present recommendations to Congress for an up-or-down vote.

### Improving Infrastructure and Promoting Affordable Energy

• National Infrastructure Development Bank (DeLauro, D-CT): Identifying long-term financing options for highways and other infrastructure projects is a persistent challenge at the federal level. This legislation provides a creative solution to address that problem. The bill would leverage private sector dollars from institutional investors, such as pension funds, to supplement current funding in our nation's infrastructure through the creation of a 'national infrastructure bank' to fund transportation infrastructure as well as energy, environmental, and telecommunications projects. The bank would provide loans and loan guarantees to projects, issue Public Benefit Bonds with

proceeds to fund projects, and make payments to help states and localities cover their bond interest payments.

- The Job Creation Through Energy Efficiency Act (Rep. Cartwright. D-PA): This bill would create good manufacturing and construction jobs by authorizing up to \$600 million in funding to establish a Financing Energy Efficient Manufacturing Program under the Department of Energy for energy efficient upgrades for small- and medium-sized manufacturers.
- The Offshore WIND Act (Rep. Langevin, D-RI): Wind power along the eastern seaboard of the US presents immense opportunities for electricity generation. This legislation would expand the tax credit for investment in energy property to include qualifying offshore wind properties until 2026 to help spur investment in offshore wind power in federal waters at least 12 miles offshore. This credit would not only help provide lower cost power to New Hampshire and the rest of New England, it would create thousands of good jobs during the construction stage.
- Biomass Thermal Utilization Act (Rep. Welch, D-VT): As co-chair of the Congressional Biomass Caucus, Rep. Kuster has advocated for biomass as an important part of the energy mix in New Hampshire. The bill would amend the federal tax code to incentivize biomass energy through tax credits for capital costs incurred in residential and commercial installations. Tax incentives already exist for other forms of renewable energy and this bill seeks to achieve parity between those renewable systems and thermal biomass systems.